

WORKFORCE OBSERVATIONS FOR WEST CENTRAL WISCONSIN COUNTIES

JUNE 2003



State of Wisconsin
Department of Workforce Development

Employment Gains Fall Short of Seasonal Trends

Employers were hiring in May and the number of unemployed in the area declined. The unemployment rate in each of the nine counties in West Central Wisconsin dropped from April to May, as did unemployment rates in all but one of the 72 counties in the state.

Estimates released by the Department of Workforce Development showed an increase of 2,000 workers in West Central Wisconsin in May. While the increase is encouraging news it fell shy of the mark set last year and the seasonally adjusted estimates for the Eau Claire-Chippewa metropolitan area reflect the sluggish increase in jobs.

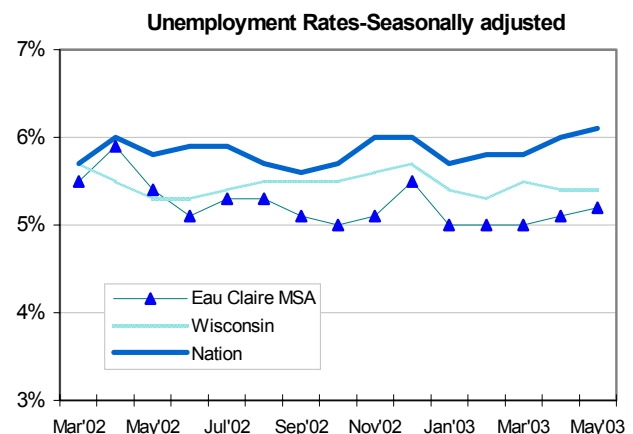
In the metro area seasonally adjusted employment declined by 530 from 82,230 in April to 81,700 in May even though some workers did return to jobs. The loss in employment resulted in an increase in the unemployment rate from 5.1 percent in April to 5.2 percent in May. Only one other metropolitan area in the state, Madison, reported a rise in unemployment rate in May. Six of the eleven metro areas posted a decline while three areas followed the state pattern of no change in unemployment rate. The Eau Claire rate was lower than the state unemployment rate in May of 5.4 percent, which was lower than the national rate of 6.1 percent.

Out of a total, seasonally adjusted, labor force of 86,200 in May, 81,700 were employed and 4,480 were unemployed in the Eau Claire-Chippewa area. Not adjusted, the number of employed rose in Eau Claire and Chippewa counties from 82,075 to 82,410 and unemployment declined from 5.7 to 4.6 percent.

Even though the number of employed increased in each of the nine counties in the region, the increase was less than in previous springs. The anemic influx of jobs fell shy of the anticipation among the unemployed and many dis-

continued their search. The number of unemployed in the region declined by 4,700, much greater than in the increase of 2,000 in employment. The result was an atypical reduction in the labor force from April to May when an expansion from new entrants is more usual.

The reduction in the number of unemployed however, did lower unemployment rates and in many of the regional counties the drop was significant. The second largest drop in the state occurred in Polk County when the rate declined from 9.9 percent in April to 5.8 percent in May. Even though the rate dropped from 8.2 to 6.3 percent in St. Croix County it had the highest rate in the region. The rate in Clark County was second highest at 6.1 percent after dropping from 8.7 percent in April. The lowest unemployment rate among the nine counties, and second lowest



	Mar'02	Apr'02	May'02	Mar'03	Apr'03	May'03
Eau Claire MSA	5.5%	5.9%	5.4%	5.0%	5.1%	5.2%
Wisconsin	5.7%	5.5%	5.3%	5.5%	5.4%	5.4%
Nation	5.7%	6.0%	5.8%	5.8%	6.0%	6.1%

Civilian Labor Force Estimates, not seasonally adjusted, for West Central Wisconsin counties

	Barron			Chippewa			Clark			Dunn			Eau Claire Co.		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Civilian labor force	25,189	25,369	24,382	31,718	32,247	31,158	16,134	16,482	15,610	23,678	23,567	23,261	54,687	54,746	53,232
Employed	23,977	23,527	23,164	30,028	29,904	29,260	15,153	15,053	14,684	22,754	22,239	22,396	52,385	52,169	51,046
Unemployed	1,212	1,842	1,218	1,690	2,343	1,898	981	1,429	926	924	1,328	865	2,302	2,577	2,186
% unemployed	4.8	7.3	5.0	5.3	7.3	6.1	6.1	8.7	5.9	3.9	5.6	3.7	4.2	4.7	4.1
	Pepin			Pierce			Polk			St. Croix			West Central region		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Civilian labor force	3,481	3,530	3,251	21,162	21,382	20,970	23,842	24,669	23,421	37,550	38,106	36,983	237,441	240,098	232,268
Employed	3,366	3,304	3,076	20,287	20,171	20,114	22,469	22,219	22,001	35,167	34,966	34,866	225,586	223,552	220,607
Unemployed	115	226	175	875	1,211	856	1,373	2,450	1,420	2,383	3,140	2,117	11,855	16,546	11,661
% unemployed	3.3	6.4	5.4	4.1	5.7	4.1	5.8	9.9	6.1	6.3	8.2	5.7	5.0	6.9	5.0

* not seasonally adjusted

Industry Employment Estimate: Current month - May 2003

(Employment in thousands)	Barron			Clark			Dunn			Pepin		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Total Nonfarm	22.4	21.8	22.0	10.1	10.0	9.9	16.5	16.1	16.4	2.5	2.4	2.3
Const/Min'g/Nat. Resources	0.7	0.5	0.8	0.6	0.5	0.5	0.6	0.6	0.7	0.2	0.2	0.2
Manufacturing	6.3	6.3	6.4	2.6	2.6	2.7	2.1	2.1	2.1	0.2	0.2	0.2
Trade	3.6	3.4	3.7	1.5	1.5	1.4	2.5	2.5	2.4	0.5	0.5	0.5
Transportation & Utilities	0.5	0.5	0.5	0.4	0.4	0.4	1.7	1.7	1.7	0.1	0.1	0.1
Financial Activities	0.5	0.5	0.5	0.3	0.3	0.3	0.4	0.4	0.4	0.1	0.1	0.1
Education & Health Services	2.3	2.2	2.2	1.1	1.1	1.1	1.3	1.4	1.3	0.3	0.3	0.3
Leisure & Hospitality	1.9	1.8	1.9	0.8	0.8	0.6	1.6	1.6	1.6	0.5	0.4	0.2
Info/Prof. & Bus.Serv./Other	1.6	1.6	1.6	0.6	0.6	0.6	1.4	1.3	1.4	0.2	0.2	0.2
Total Government	4.9	4.9	4.5	2.2	2.2	2.2	4.7	4.6	4.7	0.6	0.6	0.5
	Pierce			Polk			St. Croix			Eau Claire MSA		
	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02	May '03	Apr '03	May '02
Total Nonfarm	10.7	10.6	10.8	15.2	14.9	15.2	27.7	27.1	27.0	77.8	77.0	77.0
Const/Min'g/Nat. Resources	0.6	0.5	0.5	0.9	0.8	0.8	1.7	1.6	1.6	3.0	2.7	3.2
Manufacturing	0.8	0.8	0.8	3.7	3.8	3.9	5.7	5.6	6.1	10.9	10.8	11.2
Trade	1.1	1.1	1.2	2.1	2.0	2.2	4.4	4.3	4.3	12.8	12.8	12.7
Transportation & Utilities	0.5	0.4	0.5	0.3	0.3	0.3	1.0	1.0	1.0	2.9	2.8	2.8
Financial Activities	0.4	0.4	0.4	0.6	0.5	0.5	1.0	1.0	0.9	3.8	3.7	3.7
Education & Health Services	1.1	1.1	1.1	2.1	2.1	2.0	2.9	2.9	2.8	12.4	12.4	12.0
Leisure & Hospitality	1.4	1.4	1.3	1.2	1.1	1.3	3.6	3.4	3.2	7.5	7.2	7.6
Information/Prof. & Bus.Serv.	1.1	1.1	1.1	1.4	1.4	1.5	3.5	3.5	3.5	7.9	7.9	7.9
Other Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	3.7	3.7	3.7
Total Government	3.7	3.8	3.9	2.8	2.8	2.7	3.9	3.8	3.7	12.9	13.0	12.2

Current month preliminary. Estimates based on March 2002 benchmark. Summing from unrounded numbers.

in the state, was in Pepin County where the rate declined from 6.4 percent in April to 3.3 percent in May.

Dunn County was the only county in the region where the labor force expanded in May as the increase in employment outpaced the decline in unemployment. The expansion produced an unemployment rate in May of 3.9 percent, lower than the 5.6 percent rate in April. In Barron County, the unemployment rate dropped from 7.3 to 4.8 percent in May and, in Pierce County the rate declined from 5.7 to 4.1 percent.

Construction employers added roughly 1,000 jobs in May and workers laid off during the winter months filled most of those jobs. The increase in construction employment in May lead the job gains in nearly every county, but only a few counties show an increase over the year. The increase in construction jobs follows the decline in the number of residents filing claims for unemployment compensation benefits but falls shy of the total reduction.

The number of claims for weekly benefits dropped by over 2,000 in the rural counties of West Central Wisconsin and by roughly 975 in the two metropolitan counties of Eau Claire and Chippewa. During the week that included the 12th (the week used for labor force estimates) there were 3,298 claims in the rural counties and 2,418 claims in

the metro area.

Compared with the same week one year ago the number of claimants in the rural counties is down 200 and in the metro counties by 325. For the most part, new claims for unemployment benefits declined through mid-May. In recent weeks initial claims have increased and in a few counties where plant reductions are imminent will undoubtedly continue to increase in the weeks ahead.

Another industry that hires workers in spring, leisure and hospitality, added 1,000 jobs in May. All counties reported an increase in jobs as employers prepared for the busy summer months. With the introduction of the North American Industry Classification System (NAICS) it is easier to see the increase in jobs in industries related to tourism. Other retail establishment, such as grocery stores, gas stations, and home and garden centers also added jobs in May.

Even manufacturing firms in some counties hired a few workers in May. The total number of jobs in manufacturing remains well below that of one year ago when production jobs were already below normal.

The total number of jobs in West Central Wisconsin in May was 182,900, roughly 2,000 more than in April and 1,450 more than one year ago.

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Direct questions and comments to: **Beverly Gehrke, Labor Market Analyst**
 Hayward Job Center, 15618 Windrose Lane, Suite 108, Hayward, Wisconsin 54843
 715-634-5289 715-634-6094(FAX) e-mail: Beverly.Gehrke@dwd.state.wi.us